

SAFC 16324
COPY 1 OF 2

May 29, 1957

GK:

On the subject of insuring shipments to you I have been able to secure the following information. Standard insurance rates are as follows:

Railroad or air express	\$.10 per \$100 evaluation
Air freight	\$.10 per \$100 evaluation
International air freight	\$.20 per \$100 evaluation

For purposes of recovering any loss due to damage in shipment we have a floater type of insurance which automatically covers all shipments made by us.

As I mentioned in our telephone conversation of mid-May we are currently insuring all shipments on contracts SC 21-54 and HF 20-80 for \$50.00 with the carrier. The purpose for such insurance is to furnish an additional means for tracing a shipment should we ever have to do so. I understand that you will be issuing a memorandum shortly to the effect that no shipments on your contracts are to be insured.

I note that you have received a copy of T. Brennan's letter of May 15th concerning this insurance method. As you can see from their letter none of their shipments on contract SC 21-54 are insured.



TWM:hmm

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